

MacKenzie Hall 110 Sherman Street Hartford, CT 06105-2294

May 1, 2013

## Sent via first-class mail and email

Edward R. McNicholas Sidley Austin LLP 1501 K Street, N.W. Washington, D.C. 20005 emcnicholas@sidley.com

Dear Mr. McNicholas:

We, the undersigned Attorneys General, are writing concerning the recently reported unauthorized intrusion into parts of LivingSocial, Inc.'s internal computer network and systems. This incident reportedly affected as many as 50 million individuals, including approximately 29 million American customers, and involved personal information including names, email addresses, and encrypted passwords. This incident raises serious concerns about the risk of identity theft, fraud, targeted email "phishing" or other scams.

We appreciate LivingSocial's notification of this intrusion. So that we may determine the full extent to which consumers were affected and evaluate the adequacy of the efforts LivingSocial has made to protect consumers' sensitive information from improper access (including its actions in response to this incident) we ask that you provide us with the information requested below.

- Please provide a detailed timeline of this incident, including when and how LivingSocial discovered the intrusion, and when and how LivingSocial learned the nature of the information compromised by the intrusion.
- (2) Please provide a breakdown indicating the number of individuals affected in each state.
- Please identify the categories or types of the information compromised and, as to each category or type of information, the total number of individuals affected.
- (4) Please describe how LivingSocial determined that no financial or credit card data was compromised.

- (5) Please indicate whether users' accounts are directly tied to stored payment card information.
- Were any users' mailing addresses compromised? If the answer is in the negative, please explain the basis for your conclusion.
- (7) Please describe how the various categories of user information LivingSocial collects is stored, including whether it is encrypted and whether it is separated from other data.
- (8) Please explain in detail the nature of the systems LivingSocial employs to store and protect user passwords.
- (9) How long is information provided by users stored by LivingSocial and is any of this information automatically deleted after a certain period of time? If so, when?
- (10) Please describe the means, if any, by which users can delete the information LivingSocial stores about them.
- Please provide copies of LivingSocial's privacy policies at the time of the breach.
- Please describe the internal security protections in place, before the intrusion occurred, to protect the information of LivingSocial customers from being accessed without authorization, particularly under circumstances reportedly involved in this incident.
- Has LivingSocial received any reports or complaints from users regarding unauthorized charges on credit card, debit card, or other financial accounts linked to their LivingSocial accounts? If so, please provide copies of such reports or complaints.
- Please provide a copy of any security reports and/or forensic analyses, including any correspondence and memoranda related thereto, concerning this incident.
- Please provide an outline of any plan you have developed to prevent the recurrence of any such incident and a timeline for implementing that plan.

Please provide this information no later than May 28, 2013, to Assistant Attorney General Matthew Fitzsimmons at 110 Sherman Street, Hartford, Connecticut 06105. The information will then be forwarded by AAG Fitzsimmons to the office of each of the Attorneys General on behalf of whom this letter is sent. Should you have any questions, you may contact AAG Fitzsimmons at (860) 808-5400 or Matthew.Fitzsimmons@ct.gov.

We appreciate your cooperation in this matter and look forward to hearing from you.

Very truly yours,

GEORGE JEPSEN

CONNECTICUT ATTORNEY GENERAL

DOUGLAS F. GANSLER

MARYLAND ATTORNEY GENERAL

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